

Congressman Steve King today made the following statement after voting against a massive economic "stimulus" spending bill pushed through the House by Speaker Nancy Pelosi.

"Our country tried massive government spending to solve economic problems in the 1930's, and today we call the result the Great Depression. Growing government as a means to stimulate the economy has always delayed the recovery.

"The spending waste and compounding interest in this bill adds up to over one trillion dollars, most of which will go to non-stimulating, pet projects of Nancy Pelosi and liberals in Congress. Our grandchildren will inherit a country further in debt and less able to grow out of a crisis.

"A true market-based stimulus would include capital gains tax elimination and more tax relief for small business owners. Instead, Pelosi and liberals in the House want a far bigger New Deal than the old New Deal, the instrument most responsible for the delay of our recovery from the Great Depression."

Background:

- The 647-page, \$825 billion Pelosi economic "stimulus" plan passed the House Wednesday.

- According to the Wall Street Journal, "the nonpartisan Congressional Budget Office said government borrowing prompted by enactment of the plan would add another \$347 billion, pushing the estimated cost of the stimulus plan to more than \$1 trillion, including interest."

(<http://online.wsj.com/article/SB123307183916519783.html>)

- Included in the bill are hundreds of billions of dollars in spending that adds to the record federal deficit to fund federal subsidies, pet projects, and bureaucracy. A few highlights:

- \$335 million for sexually transmitted disease education and prevention programs

- \$80 billion for refundable tax-credits. Unlike across the board tax cuts, these temporary tax credits send refund payments directly to individuals, even if they

pay no taxes. These refunds do little to spur growth, create more jobs, or stimulate the economy and are more similar to new spending through tax policy than actual tax cuts.

- \$30 billion—only 3.6% of the total spending—for highway construction. Despite calls by Democrats for increased infrastructure spending to create jobs, a relatively small share of the total \$816 billion package is devoted to highway and transportation infrastructure.

- \$50 million for the National Endowment for the Arts to fund projects and activities which preserve jobs in the non-profit arts sector.

- \$800 million for Amtrak—the federal subsidized rail carrier which consistently losses money—for the purpose of reducing Amtrak's \$10 billion capital backlog.

- \$400 million for NASA climate change research.

- \$150 million for building repairs at the Smithsonian.